

Mary Lou Terrien

From: Robert Tulloch <tultalk@hughes.net>
Sent: Friday, September 9, 2016 8:50 PM
To: Mary Lou Terrien
Cc: Earl Poleski; Mike Shirkey - Sen
Subject: Re: Tax Increment Funding
Attachments: SB 1026 TIF.zip

Added eml as zip

On 9/9/2016 8:10 PM, Robert Tulloch wrote:

Economic Development Committee
Mary Lou Terrien Committee Clerk

Members of the Economic Development Committee

The family of bills HB 5851 through HB 5856 neglect to address a key issue that is threatens to put the City of Jackson into bankruptcy or in the hands of an EFM.

The city is giving 50-100% tax abatements lasting 9-10 years to the few developers who are being courted to bring development to the DDA/TIF area in the downtown. The DDA/TIF is carrying bonded indebtedness of over \$18 million and is facing a tsunami of debt service in the next 5-10 years. The city has no formal plan to address this debt and is instead relying on the "vision" of the city manager. To delay accountability, the city has been relying on refunding this debt at the low interest rates currently in force but we all know that will likely turn around in the near future.

Attached is a package sent to Senator Horn in July 2016 asking that legislation include a provision that municipalities cannot give away the potential tax capture when that captured tax is committed to pay off existing TIF bonds.

Please copy and distribute to committee members as testimony

Thank you and best regards

Robert F. Tulloch
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